

HOUSE BILL 2334

By Butt

AN ACT to amend Tennessee Code Annotated, Title 47,
Chapter 18, Part 1, relative to consumer protection
violations involving liquefied petroleum gas.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-18-104, is amended by adding
the following new subdivision to subsection (b):

(51) Offering for sale and distribution at retail liquefied petroleum gas (propane)
by an electric cooperative or for-profit entity and:

(A) The cooperative or entity offers propane at a discounted rate if the
consumer enters into a contract and pays for such propane in advance of its use;

(B) Except as provided in subdivision (b)(51)(D) the cooperative or entity
increases the per unit price of the propane prior to the termination date of the
prepaid contract;

(C) The per unit price is increased in reliance on a clause in the contract
permitting such deviation when a cost increase is out of the control of the
cooperative or entity; and

(D) A state of emergency, state of war, or state of natural disaster
affecting the availability and distribution of propane has not been declared by the
governor, congress or the president, respectively, and is not in effect at the time
the per unit price of propane is increased.

SECTION 2. This act shall take effect May 30, 2014, the public welfare requiring it and
shall apply to any prepaid contract for liquefied petroleum gas entered into between a consumer
and an electric cooperative or a for-profit seller or distributor on or after such date.